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# The New Watergate

Sources allege that former ambassador Philip Habib supported a Korean plan to influence American foreign policy — a plan that came to include bribery

**W**ASHINGTON—Like most capitals, Washington is a city that breathes intrigue. It has watched scandals come and go: the once powerful are toppled (or escape); the city settles back and waits for the next victim. It is the capital's favorite game.

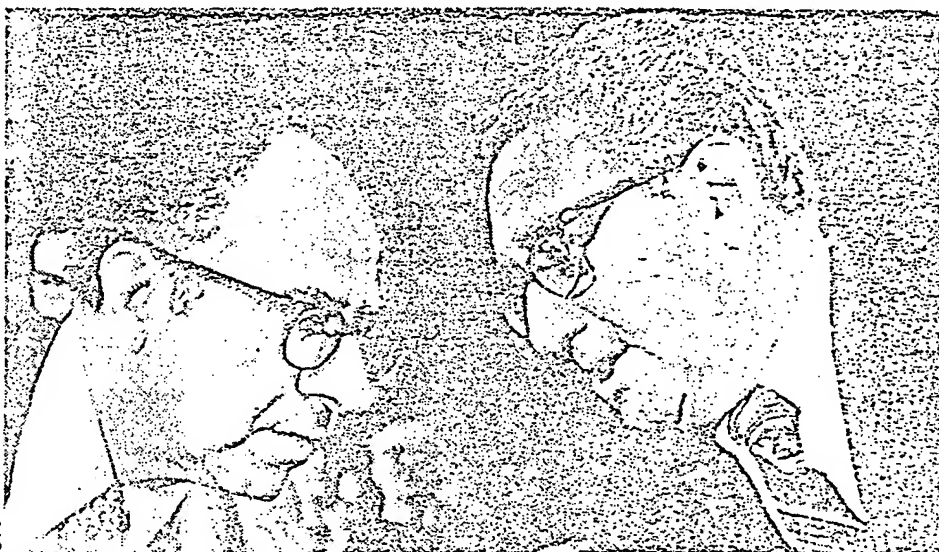
But now Washington is bracing for a new Watergate. This time the scandal comes from Korea. At first, it seemed to be nothing more than a nasty mess, no cause for particular alarm. Early last fall, a series of newspaper articles revealed that a number of US congressmen — perhaps as many as 90 — had received favors, gifts and campaign contributions from a Washington-based South Korean businessman named Tongsun Park.

These allegations rattled some people, but of course such practices were nothing new in Washington. The congressmen had been caught in an indiscretion.

But then it was reported that Tongsun Park may have been part of a larger scheme hatched by the South Korean government to influence future US foreign policy toward Seoul. That made it a different matter. Congressmen on the payroll of a foreign agent — not just a foreign businessman — are a serious concern.

Phoenix sources now indicate that the scandal may have even broader ramifications, and that the US government may have been a willing participant in the scheme. According to these sources, Philip Habib, President Nixon's Ambassador to South Korea in the early '70s and now President Carter's Undersecretary of State for Asian and Pacific Affairs, was present at one or more meetings in the South Korean presidential palace (known as the Blue House) in 1970-1971 when the alleged master plan to win friends in the US was discussed. Present at these meetings were Korean President Park Chung Hee, Tongsun Park and various Korean CIA (KCIA) agents.

The South Korean plan included both a



Henry Kissinger (right) and Philip Habib: was there American support for the Koreans' plan?

public and an undercover strategy. The South Korean government would openly (and, through its intelligence fronts, covertly) sponsor US universities' research on South Korea, hoping to diminish American academics' loathing for Seoul's heavy-handed violations of human rights.

The strategy also called for Sun Myung Moon and his anti-communist Unification Church to win more youthful converts in this country. The church, which itself has many front organizations, has been linked to the KCIA.

And the Koreans mapped propaganda drives, by government front organizations and the Unification Church, aimed at attracting influential Americans to serve as trustees of the various groups. Nixon, Gerald Ford and Sen. Robert Dole were all recruited for the boards of the Korean Cultural and Freedom Foundation and its affiliate groups, as were a number of well-known athletes, entertainers and military men.

Habib's alleged support, the source said, has been recorded on tape through a bug planted in the office of President Park by the US Central Intelligence Agency.

While sources say emphatically that Habib was present at the meetings in which the general outline of the Koreans' offensive was outlined, it is unclear whether Habib knew specifically at that time of any attempts the Koreans would make to bribe US congressmen.

One source has suggested that President Park intentionally drew Habib into the discussion to lock in this country's covert participation in the influence-peddling scheme. Habib's role at the Seoul meetings, and the eventual participation of a number of US agencies in the master plan, has now touched off a massive struggle inside the diplomatic and intelligence bureaucracies.

"The stakes are high," said a source who has been observing the infighting. Because of the involvement of so many US agencies, the source said, "Everyone has a stake in keeping the lid on."

But, according to the source, "There's a young guy in the CIA rattling those tapes and trying to force Habib to come clean. They are very, very — and I can't

(Jeff Stein, a Washington-based journalist formerly u

**A**ccording to usually cautious and reserved intelligence sources,